



1 holds more than \$20,000,000 in assets in the State; provided  
2 that the individual taxpayer's net worth shall be based on the  
3 individual's assets, not joint assets, and a married individual  
4 shall file a separate return; provided further that if the  
5 taxpayer pays a wealth asset tax on the same asset in a  
6 different state, the amount paid to the other state shall be  
7 subtracted from the state tax liability.

8 (b) A taxpayer's state net worth shall be determined  
9 pursuant to rules adopted by the department; provided that a  
10 taxpayer's state net worth shall include but not be limited to  
11 the aggregate value of assets in the following categories:

- 12 (1) Real Property;
- 13 (2) Stock in any publicly and privately traded  
14 C-corporation;
- 15 (3) Stock in any S-corporation;
- 16 (4) Interests in any partnership;
- 17 (5) Interests in any private equity or hedge fund;
- 18 (6) Interests in any other noncorporate business;
- 19 (7) Bonds and interest-bearing savings accounts;
- 20 (8) Cash and deposits;
- 21 (9) Farm assets;



- 1 (10) Interest in mutual funds or index funds;  
2 (11) Put and call options on securities;  
3 (12) Futures contracts;  
4 (13) Art and collectables;  
5 (14) Financial assets held offshore;  
6 (15) Pension funds;  
7 (16) Debts owed to the taxpayer; and  
8 (17) Other assets.

9 § -4 **Reporting and payment.** (a) Assets used to  
10 determine state net worth pursuant to section -3(b) shall be  
11 reported in a form and manner specified by the director.

12 (b) The tax imposed by this chapter shall be reported  
13 with, and payable at the same time as, taxes imposed pursuant to  
14 chapter 235; provided that the tax imposed by this chapter shall  
15 be due once every three years.

16 § -5 **Assets belonging to dependents.** For the purpose of  
17 determining state net worth and tax liability under this  
18 chapter, any assets belonging to a person who can be claimed as  
19 a dependent that are in excess of \$50,000 shall be deemed to be  
20 assets of the taxpayer who can claim the person as a dependent.



1           §    **-6 Valuation of assets.** Valuation or appraisal of  
2 assets reported pursuant to section    -3(b) shall be done in a  
3 manner specified by the director in accordance with rules  
4 adopted by the department.

5           §    **-7 Forms.** The director shall prescribe forms to be  
6 used in filing returns and reports required by this chapter.

7           §    **-8 Rules.** The department shall adopt rules in  
8 accordance with chapter 91 to implement this chapter."

9           SECTION 2. The department of taxation shall submit  
10 proposed legislation suggesting the types of debts to be  
11 considered in determining net worth, methods to be used for  
12 valuation of assets, time periods for which valuation of assets  
13 shall occur, methods for allocation and apportionment,  
14 withholding requirements, reporting requirements, limitation  
15 periods, and audit and assessment provisions for the wealth  
16 asset tax established by this Act to the legislature no later  
17 than forty days prior to the convening of the regular session of  
18 2027.

19           SECTION 3. If any provision of this Act, or the  
20 application thereof to any person or circumstance, is held  
21 invalid, the invalidity does not affect other provisions or



1 applications of the Act that can be given effect without the  
2 invalid provision or application, and to this end the provisions  
3 of this Act are severable.

4 SECTION 4. This Act shall take effect on April 23, 2057,  
5 and shall apply to taxable years beginning after December 31,  
6 2029.



**Report Title:**

Department of Taxation; Wealth Asset Tax; Wealth Tax; State Net Worth

**Description:**

Beginning January 1, 2030, establishes a wealth asset tax of one per cent of the state net worth of each individual taxpayer who holds \$20,000,000 or more in assets in the State. Effective 4/23/2057. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

